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PROPOSED COUNSEL FOR THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
LUBBOCK DIVISION**

<b>IN RE:</b>	§	
	§	<b>CASE NO. 11-50162-rlj-11</b>
<b>LEVELLAND/HOCKLEY COUNTY</b>	§	
<b>ETHANOL, L.L.C.</b>	§	<b>CHAPTER 11</b>
	§	
<b>DEBTOR.</b>	§	

**OBJECTION BY THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
TO THE MOTION TO SET EXPEDITED HEARING ON EXPEDITED  
MOTION OF THE DEBTOR UNDER 11 U.S.C. §§ 105, 363 AND 364 TO  
APPROVE ENTRY INTO ASSET MANAGEMENT AGREEMENT WITH  
TENASKA BIOFUELS, LLC AND FOR RELATED RELIEF**

The Official Committee of Unsecured Creditors of Levelland/Hockley County Ethanol, L.L.C. (the “*Committee*”) hereby files this Objection (the “*Objection*”) to the *Motion to Set Expedited Hearing on Expedited Motion of the Debtor under 11 U.S.C. §§ 105, 363 and 364 to Approve Entry into Asset Management Agreement with Tenaska BioFuels, LLC and for Related Relief* [Docket No. 28] (the “*Motion to Expedite*”) filed by the debtor in the above-captioned case (the “*Debtor*”) and respectfully represents the following:

## **I. FACTUAL AND PROCEDURAL BACKGROUND**

1. On April 27, 2011 (the “*Petition Date*”), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the Northern District of Texas, Lubbock Division.

2. On May 9, 2011, the Office of the United States Trustee (the “*UST*”) appointed the following nine (9) members to the Committee: (i) West Texas and Lubbock Railway; (ii) Oppliger Feedyard Inc.; (iii) Loepky Farms; (iv) Friona Wheat Growers; (v) Hansen Mueller; (vi) Ferm-Solutions Inc.; (vii) Triple Nickel, Inc.; (viii) Plains Grain Company Inc.; and (ix) Nathan Segal & Co.

3. The Debtor filed its *Expedited Motion of the Debtor under 11 U.S.C. §§ 105, 363 and 364 to Approve Entry into Asset Management Agreement with Tenaska Biofuels, LLC and for Related Relief* [Docket No. 24] (the “*Tenaska Motion*”) on May 10, 2011. Contemporaneously, the Debtor filed the Motion to Expedite requesting that the Court set the Tenaska Motion for hearing on Tuesday, May 17, 2011.

4. On May 11, 2011, the Committee retained, subject to Bankruptcy Court approval, Haynes and Boone, LLP (“*Haynes and Boone*”) as counsel for the Committee.

5. The Court set the Motion to Expedite for hearing on May 17, 2011.

## **II. OBJECTIONS AND BASIS THEREFOR**

6. The Committee objects to an expedited hearing on the Tenaska Motion. The UST appointed the Committee on Monday, May 9, 2011, and the Committee selected Haynes and Boone as its counsel effective May 11, 2011. The Committee and its counsel have been working diligently to analyze all aspects of the Debtor’s financial affairs, including the Tenaska Motion. The Committee simply has not, however, had sufficient time to properly assess the propriety of

the Tenaska Motion.<sup>1</sup> Indeed, the Committee has not even been given a copy of the Tolling Agreement that is the subject of the Tenaska Motion as of the filing of this Objection.

7. The Debtor requests significant relief through the Tenaska Motion, and such relief, if granted, may have a substantial effect on how this Chapter 11 case moves forward. With that predicate, the Committee requires more than the remaining four days to obtain and evaluate the information necessary to determine whether the underlying Tolling Agreement between the Debtor and Tenaska BioFuels, LLC is in the best interests of the Debtor's estate and its unsecured creditor body. As such, the Court should deny the Motion to Expedite and set the Tenaska Motion for hearing on a future date, in no event earlier than May 31, 2011, to allow the Committee and other parties-in-interest sufficient time to assess the merits of the Tenaska Motion and underlying Tolling Agreement.

WHEREFORE, the Committee respectfully requests that the Court deny the Debtor's Motion to Expedite and grant the Committee such other relief as is just and proper.

Dated: May 13, 2011

/s/ Stephen M. Pezanosky  
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PROPOSED COUNSEL FOR THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS

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<sup>1</sup> To be clear, the Committee has not yet taken a position on the relief requested in the Tenaska Motion.

### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on May 13, 2011, a true and correct copy of the foregoing document was served upon all parties on the attached Master Service List via e-mail or United States first class mail, postage prepaid, as indicated, in accordance with the Federal Rules of Bankruptcy Procedure and by e-mail upon the parties that receive notifications in this case pursuant to the Court's ECF system.

/s/ Erik K. Martin

Erik K. Martin

## **SERVICE LIST**

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### **20 Largest Unsecured Creditors:**

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